

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	<i>SCHEDULE E</i>	*		*	
AC-53	*	<i>POLICY FORMS & ENDORSEMENTS</i>	*	May 7, 2002	*	15 of 127
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SCHEDULE E
POLICY FORMS AND ENDORSEMENTS

This schedule contains copy of the current policy forms and endorsements which reflect the minimum coverage that will be accepted for award of this IFB.

In the event of any discrepancies between the insurance requirements delineated in these specifications and the model policies included herein, the bid specifications **shall** govern. This schedule is for informational purposes only and not to be used in awarding the contract.

Contents:

Aircraft Policy No. AACN00027467

Pages 16 - 62

Airport Policy No. APN649647

Pages 63 - 109



ace usa

AIRCRAFT POLICY

DECLARATIONS

ISSUING COMPANY: ACE Property and Casualty Insurance Company 1601 Chestnut Street, Philadelphia, Pennsylvania, 19101		Policy No. AAC N00027467 Renewal Of New						
Named Insured: State Of Louisiana, its Departments, Agencies, Boards and Commissions.								
Your Postal Address: C/O Risk Management, P.O. Box 94095 State Capitol Annex Baton Rouge Louisiana 70804								
Policy Period (When insurance is provided under this policy): <div style="display: flex; justify-content: space-between;"> FROM: July 1, 2001 TO: July 1, 2002 </div> Both days at 12.01 a.m. local standard time at Your Postal Address shown above.								
Aircraft Insured By This Policy: As described in the individual Aircraft Coverage Page(s), form AAC 103 (11/99), forming part of this policy at inception, or as may be added during the currency of this policy. When insurance for an aircraft is changed, a new Aircraft Coverage Page will be issued, and the Aircraft Coverage Page applicable to that aircraft with the highest Endorsement number will show the current coverages for that aircraft.								
Your Business Or Occupation Is: State Government								
Pilots Who May Fly The Aircraft: (See Endorsements)								
TERRITORY (Where insurance is provided under this policy): Coverage applies during the stated policy period while the "aircraft" is within the united States (excluding Alaska and Hawaii), Canada, Mexico, or while en route between these points.								
During the past year no insurer has cancelled or declined to renew any Aircraft Insurance issued to you, except as follows: Absence of entry means no exception.								
Premium: <table> <tr> <td>Total Section Two premium due under this policy:</td> <td>\$300,176</td> </tr> <tr> <td>Total Section Three premium due under this policy:</td> <td>\$205,689</td> </tr> <tr> <td>Total Policy Premium:</td> <td>\$505,865</td> </tr> </table>			Total Section Two premium due under this policy:	\$300,176	Total Section Three premium due under this policy:	\$205,689	Total Policy Premium:	\$505,865
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Total Policy Premium:	\$505,865							

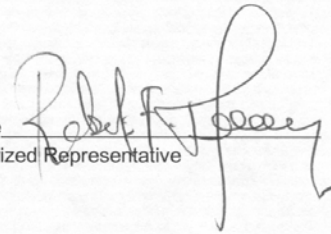
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SCHEDULE OF ENDORSEMENTS

The endorsements listed below form part of this policy at inception and are deemed to have been signed by the same Authorized Representative that signed the Declarations (form AAC 101 11/99)

TITLE	ENDORSEMENT No. and EDITION
Louisiana Changes - Cancellation and Nonrenewal	AAC LA (11-98)
Aircraft Coverage Page(s)	AAC 103 (11/99)
Pilots Who May Fly The Aircraft	AAC 104 (11/99)
Non-Owned Aircraft Liability Endorsement	AAC 105 (11/99)
Additional Insured Endorsement (LOOP, INC.)	AAC 108 (11/99)
Additional Insured Endorsement (U.S. Forestry Service)	AAC 108 (11/99)
Additional Insured Endorsement (Petroaviation, Inc.)	AAC 108 (11/99)
Additional Insured Endorsement (Transamerica Equipment Financial Services etal)	AAC 108 (11/99)
Non-Owned Aircraft Physical Damage Endorsement	AAC 111 (11/99)
War, Hi-Jacking And Other Perils Exclusion Clause (Aviation)	AAC 113 (11/99)
Extended Coverage Endorsement (Aircraft Hulls)	AAC 114 (11/99)
Extended Coverage Endorsement (Aviation Liabilities)	AAC 115 (11/99)
Waiver Of Subrogation Endorsement	AAC 139 (11/99)
Student And Renter Pilot Endorsement	AAC 145 (11/99)
Not In Flight Limitation Endorsement	AAC 152 (11/99)
Nuclear Risk Exclusion Clause	AAC 167 (11/99)
Date Recognition Exclusion Endorsement	AAC 169 (11/99)
Date Recognition Limited Coverage Endorsement	AAC 170 (11/99)
Public Use Endorsement	AAC 180 (11/99)
Flightsafety International Waiver - Crew Training Endorsement	AAC 189 (11/99)
Policy Changes Endorsement	IL 12 01 11 85

Signature _____
By Authorized Representative



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AIRCRAFT POLICY INDEX

The Index for the Policy Provisions is as follows:

Please Read Your Policy

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AIRCRAFT POLICY

POLICY PROVISIONS

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Issuing Company identified in the Declarations.

The word "insured" means any person or organization qualifying as such under WHO IS AN INSURED UNDER SECTION THREE OF THE POLICY.

Other words and phrases that appear in quotation marks have special meaning. Refer to GENERAL DEFINITIONS.

The insurance provided by this policy does not apply to any Coverage against which the words "Not Insured" appear in the applicable Individual Aircraft Coverage Identification Details forming part of the Declarations

In consideration of the payment of the premium we agree to provide insurance to the extent indicated in the Declarations, subject to all the terms of the Policy.

SECTION ONE

This section of the policy contains General Definitions, General Exclusions and General Conditions which also apply to Sections Two and Three of this policy.

GENERAL DEFINITIONS

The following words and phrases have specific meanings within this policy. Please read them carefully.

- (A) **"Accident"** means a sudden event, during the policy period, which is neither expected nor intended by the insured, that involves the "aircraft" and causes physical damage to or loss of the "aircraft".
- (B) **"Aircraft"** means an aircraft shown in the Individual Aircraft Coverage Identification Details forming part of the Declarations or qualifying under Section One, General Condition (N) (aircraft additions and deletions) or Section Three (B) Special Provision 2 (use of other Aircraft) of this policy including the engines, propellers (and with respect to rotorcraft the rotorblades), operating and navigational instruments and radio equipment attached to the Aircraft, including tools which are standard for the make and type of Aircraft, and parts which are detached from the Aircraft at the time of loss and not replaced by similar parts.
- (C) **"Bodily Injury"** means injury, sickness or disease and, if arising out of the foregoing, mental anguish, including death resulting therefrom.
- (D) **"Compensation"** means any consideration greater than the cost of owning, operating and maintaining the "aircraft".
- (E) **"Crew"** means any "passenger" who has any duties involved in the operation of the "aircraft". Crew members include, but are not limited to: pilot, co-pilot, check pilot, flight examiner, "F.A.A."

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Designated Flight Examiner, flight instructor, flight engineer, navigator, mechanic, flight attendant or loadmaster, but see Section Three (C) exclusion 2 (employees) and exclusion 3 ("bodily injury" to "you").

- (F) **"Disappearance"** means the "aircraft" is missing and has not been located within 60 days after commencing "flight" by the insured or their agent.
- (G) **"F.A.A."** means the authority of the United States of America or its counterpart in a foreign country, having jurisdiction over civil aviation.
- (H) **"Flight"**, with respect to fixed wing "aircraft", means from the time the "aircraft" moves forward in preparing to take off or in attempting to take off until it has completed its landing and landing run after contact with the land or water. With respect to rotorcraft, "flight" means while the rotors are "in motion" under engine power or resulting momentum.
- (I) **"Ingestion"** means physical loss or damage to the engine(s) caused by accidental, sudden, immediate or unexpected Ingestion of objects attributable to a single recorded incident, requiring the immediate repair of the engine(s).
- (J) **"In Motion"**, with respect to fixed wing "aircraft", means while the "aircraft" is moving under its own power or resulting momentum. With respect to rotorcraft, "In Motion" means while the rotors are moving under engine power or resulting momentum.
- (K) **"Moored"** means while an "aircraft" or rotorcraft equipped for water operations is secured with cables, lines or anchors or is being launched into or hauled out of the water, other than under its own power or resulting momentum.
- (L) **"Occurrence"** means an event occurring by chance, or a continuous or repeated exposure to conditions, involving the "aircraft", which results in "bodily injury" or "property damage" during the policy period, provided it is not expected or intended by the insured. All "bodily injury" or "property damage" that arises out of such exposure to substantially the same general conditions shall be deemed one occurrence.
- (M) **"Passenger"** means any person or persons, including "crew", while in, or entering the "aircraft" for the purpose of riding or flying therein, or exiting the "aircraft" during or following a "flight" or attempted "flight".
- (N) **"Property Damage"** means physical injury to or destruction of tangible property, including the loss of use of such property except as provided for in Section Three (C) exclusion 4 (property).
- (O) **"Personal Belongings"** means carry on luggage such as handbags, suitcases and briefcases, and their contents, that persons normally carry. But "personal belongings" does not mean luggage checked with a commercial air carrier.
- (P) **"Total Loss"** means when the cost to repair the "aircraft" plus any salvage value is greater than the amount of insurance. Theft or "disappearance" of the "aircraft" is also a Total Loss, if the "aircraft" is not recovered.
- (Q) **"Uses"** includes the specific Uses defined below, but does not include any other use of the "aircraft" for which the insured expects to or does receive "compensation".
 - 1. **"Pleasure and Business"** means personal, pleasure, family and business use.

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2. **"Industrial Aid"** includes the "Uses" shown in "Pleasure and Business" and in addition includes the transportation of executives, employees, guests and customers.
3. **"Charter Commercial"** includes the "Uses" shown in "Industrial Aid" and in addition the transportation of "passengers" and cargo for "compensation".
4. **"Instruction And Rental"** includes the "Uses" shown in "Industrial Aid" and in addition the instruction of others and rental to others for their "Pleasure and Business" or "Industrial Aid" use.
5. **"Commercial"** includes all "Uses" shown in "Industrial Aid", "Instruction and Rental" and "Charter Commercial", but does not include any other use.

GENERAL EXCLUSIONS

We will not provide insurance under any part of this policy or provide defense under any part of this policy:

- (A) **Pilots.** If the "aircraft" is in "flight" and is being flown by a pilot who is not qualified under the endorsements to this policy or if the pilot is not properly certificated, rated and qualified under the current "F.A.A." Regulations which apply to the operation of the "aircraft", whether or not the pilot is named in this policy.
- (B) **Use.** If the "aircraft" is used for any purpose not specified in the applicable Individual Aircraft Coverage Identification Details forming part of the Declarations, but this exclusion does not apply to the insured who did not have knowledge of, or give consent to, the uninsured use.
- (C) **Territory.** If the "aircraft" is outside the territory described in the Declarations (Territory).
- (D) **Seaplanes/Amphibians.** If the "aircraft" is a seaplane or amphibian "aircraft" unless this is stated in the applicable Individual Aircraft Coverage Identification Details forming part of the Declarations, but this exclusion does not apply to rotorcraft.
- (E) **Unlawful Purpose.** If the "aircraft" is used for any unlawful purpose, but this exclusion does not apply to the insured who did not have knowledge of, or give consent to, the unlawful use.
- (F) **Standard Airworthiness Certificate.** If the "aircraft" does not have a valid Standard Airworthiness Certificate, or if the "aircraft" is not maintained in accordance with the Federal Aviation regulations which apply for the "flight" involved, but the insurance provided by this policy will not be invalidated while the "aircraft" is being flown without a Standard Airworthiness Certificate provided the "flights" are solely for the purpose of renewing the Standard Airworthiness Certificate and provided a valid ferry Flight permit has been issued by the "F.A.A." in respect of the "flights".
- (G) **War And Other Perils Exclusion Clause.** To any loss, damage or liability directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

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GENERAL CONDITIONS

These conditions apply to all parts of this policy. Please read them carefully:

- (A) **Assistance And Co-Operation.** The insured must co-operate with us and attend hearings and trials if we request, and must assist us in effecting settlements, securing and giving evidence and obtaining the attendance of witnesses. The insured must not, except at their own cost, make any payment, take on any obligation or expense or admit any fault other than as stated under Section Two (G) 1 (protect the "aircraft").
- (B) **Representations.**
By accepting this policy, you agree:
 - a. The statements in the Declarations are accurate and complete;
 - b. Those statements are based upon representations you made to us; and
 - c. We have issued this policy in reliance upon your representations.
- (C) **Action Against Insureds By Us.** We have the right to sue you for non payment of premium due under this policy, and we have the right to sue the insured for breach of any other obligation arising from or by reason of this insurance.
- (D) **Inspection And Audit By Us.** We are allowed to inspect the "aircraft", and all books and records relating to the "aircraft", at any time during the policy period and up to one year after the end of the policy period or until final settlement of all claims is made.
- (E) **Our Right Of Recovery.** Except in respect of Medical Payments, if we make any payment under this policy which can be recovered from somebody else, the insured agrees to transfer to us, in exchange for that payment, any right to make this recovery. The insured must do everything necessary to transfer this right of recovery to us, including allowing suit to be brought in the name of the insured. The insured must not interfere with our effort to recover and must preserve any evidence. We are not obliged to attempt to recover any deductible that may have been paid unless a specific request to do so is made to us in writing.
- (F) **Other Insurance.** Except with respect to insurance bought by you to apply in excess of this policy, if the insured has other insurance which will also pay for an "accident" or "occurrence" insured by this policy, we will only pay the percentage that the limit of this policy bears to the total limit of all policies. But this policy will only pay in excess of any valid insurance which exists with respect to Section One General Condition (N) (aircraft additions and deletions) and Section Three (B) Special Provision 2 (use of other "aircraft") of this policy.
- (G) **Changes.** If you wish to change this policy, contact us through the producer. Even though the producer may have knowledge of a request for a change, no change is effective until agreed by us and an endorsement has been issued and signed by us.
- (H) **Transfer Of Interest.** Transfer of interest in this policy cannot be made by the insured without our written consent in the form of an endorsement agreed to and issued by us.
- (I) **Cancelling This Policy.** You may cancel this policy at any time by telling us in writing in advance of the date that this insurance is to be cancelled, but if this policy contains additional insureds or agreements to notify other parties a certain number of days in advance of cancellation, then that number of days (plus three business working days for us to prepare the necessary documents) must be taken into account when advising us of the date that this insurance is to be cancelled. If you cancel we will compute the premium earned by us by using the customary standard short rate

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scale or the cancellation tables promulgated under the statutes of the State shown in Your Postal Address shown in the Declarations, whichever is more beneficial to you.

We may cancel this policy at any time by mailing a notice of cancellation to you at Your Postal Address shown in the Declarations, or your last postal address known to us, at least 30 days before the date that coverage will end. If we cancel because premium has not been paid, we can do so with 10 days notice instead of 30 days notice. Proof of mailing of the notice is sufficient proof that we have issued notice. We will compute the premium earned by us based on the percentage of the policy period used multiplied by the annual premium. We will return to you any premium paid that we have not earned, but making the refund at the time of cancellation is not a condition of cancellation. However, we will not return any aircraft physical damage premium on an "aircraft" for which we have paid the Amount of Insurance, less the applicable deductible.

- (J) **Concealment Or Misrepresentation.** If you have concealed or misrepresented any material fact or circumstance relating to this policy, either before or after a loss, then this policy is void.
- (K) **State Insurance Statutes.** Statements in this policy which conflict with insurance statutes of the state shown in Your Postal Address in the Declarations are automatically amended by us to conform to the statutes.
- (L) **Our Obligations And Insured's Duties.** We will only provide the coverage in this policy if you pay the premium stated in this policy and only if the policy requirements are fully complied with. We have the right to deduct any premium or other debts owed under this policy from any payment we make to the insured.
- (M) **When Insurance Is Provided.** Insurance is only provided under this policy during the Policy Period shown in the Declarations.
- (N) **Aircraft Additions And Deletions:**
 - 1. We will insure, for an additional premium, aircraft acquired during the policy period if these aircraft are owned or leased by you and provided that:
 - (a) We insure all aircraft owned or leased by you.
 - (b) We are advised of the acquisition of the new aircraft within ten (10) days after the date that it was acquired.
 - (c) The newly acquired aircraft, in relation to any aircraft shown in the Individual Aircraft Coverage Identification Details forming part of the Declarations:
 - (i) is of the same Type
 - (ii) has no more than the same number of engines
 - (iii) has engine(s) power not exceeding 150%
 - (iv) has the same, or less, total seating, including crew
 - (d) The maximum amount of insurance of the newly acquired aircraft will be the price paid by you, but in no event greater than the highest amount of insurance shown in the Individual Aircraft Coverage Identification Details forming part of the Declarations. If the price paid for the aircraft is greater than the highest amount of insurance shown in the Individual Aircraft Coverage Identification Details forming part of the Declarations and we have not agreed to this greater amount, then in the event of a claim under Section Two of this policy, we will only pay the same proportion of the claim that the highest amount of

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insurance shown in the Individual Aircraft Coverage Identification Details forming part of the Declarations bears to the actual price paid.

- (e) Our agreement is obtained before any aircraft that is not provided for under (a), (b), (c) or (d) of this General Condition (N) is acquired. Aircraft falling within this category may be subject to different terms than those falling under (a), (b), (c) or (d) of this General Condition (N).
 - (f) You agree to pay the full annual Section Two premium in respect of any newly acquired aircraft on which we pay the amount of insurance, less the applicable deductible.
2. If an "aircraft" insured under this policy is sold, disposed of or deleted, we will return pro rata of the annual premium for that "aircraft", except:
- (a) Where there is a claim under Section Two of this policy in respect to that "aircraft", in which case we will not return the Section Two premium.
 - (b) When the last "aircraft" insured under this policy is sold, disposed of or deleted, in which event we will keep short-rate of the annual premium for that "aircraft" in accordance with the customary short rate scale or the cancellation tables promulgated under the statutes of the State shown in Your Postal Address in the Declarations, whichever is most beneficial to you.

We must be advised within ten (10) days after the sale, disposal or deletion of any "aircraft" insured under this policy.

3. If, for any reason, an "aircraft" is insured under this policy for less than fifteen (15) days, we will charge fifteen (15) days premium for that "aircraft". Aircraft that are insured for fifteen (15) days or more will be subject to the premium terms shown under Paragraphs (1) and (2) of this General Condition (N).
- (O)

SECTION TWO

AIRCRAFT PHYSICAL DAMAGE

Please refer to the Individual Aircraft Coverage Identification Details shown in the Declarations to see which "aircraft" Physical Damage Coverage this policy insures for each aircraft, the Amount of Insurance and the Deductible for which you are responsible.

This coverage is for the benefit of you and not for the benefit of anyone else in possession of the "aircraft".

(A) What We Insure:

- 1. **Flight and Ground** - to pay for Physical Loss of or damage to the "aircraft", including "disappearance", caused by "accident", but see the exclusions which show what we will not insure.
- 2. **Not "In Motion"** - to pay for Physical Loss of or damage to the "aircraft" caused by "accident", but only while the "aircraft" is not "in motion", but see the exclusions which show what we will not insure.
- 3. **Not In "Flight"** - to pay for Physical Loss of or damage to the "aircraft" caused by "accident", but only while the "aircraft" is not in "flight", but see the exclusions which show what we will not insure.

(B) **Deductible (what you must pay or bear).** We will deduct from the amount we owe under this policy the deductible shown in the applicable Individual Aircraft Coverage Identification Details

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forming part of the Declarations. We will not apply any deductible if a fixed wing "aircraft" is a "total loss", but we will apply the deductible if a rotorwing "aircraft" is a "total loss".

(C) What We Will Pay:

1. If the "aircraft" is a "total loss", we will pay the Amount of Insurance shown in the applicable Individual Aircraft Coverage Identification Details forming part of the Declarations less the deductible which applies. We are entitled to all salvage value of the "aircraft".
2. If the "aircraft" is not a "total loss", we will pay the reasonable cost to repair the "aircraft", including essential temporary repairs, being the cost of labor at straight time rates (excluding overtime), parts and materials of like kind and quality and the cost of transportation, less the deductible which applies. We are entitled to all the salvage value of the parts that have been replaced.

However, we will not pay more than the amount of insurance shown in the applicable Individual Aircraft Coverage Identification Details forming part of the Declarations less the applicable deductible.

We will not accept responsibility for the "aircraft" nor the replaced part(s), nor will we accept title to the "aircraft" nor the replaced part(s). If the "aircraft" or replaced part(s) is to be sold, you are responsible for the delivery of a clear title to the buyer.

- (D) Cost Of Transportation.** We will pay the cost of transporting new or damaged parts or of transporting the damaged "aircraft" to the place where repairs will be made and its return to the place of "accident" or home airport, whichever is the nearer. These costs will be limited to the least expensive method of reasonable transportation.

- (E) Appraisal/Arbitration.** If you and we do not agree to the amount of loss, either party may insist that the matter be put to arbitration. The party who requires the arbitration must write and inform the other party within sixty days of our receiving the sworn statement in proof of loss. Both parties must then select their own appraisers who must be competent to do the job. The appraisers must then select an umpire, but if they cannot agree on an umpire within 15 days, then either you or we may request that the umpire should be selected by a judge of a court of record in the County and State where the arbitration is to take place. The appraisers will then appraise the loss, but if they cannot agree on the amount of loss, they must submit to the umpire who will make his appraisal. Agreement between the umpire and any of the appraisers will determine the amount of loss. You and we will be responsible for paying the respective appraisers but the other costs of the appraisal, including those of the umpire, will be divided equally. It is important that you understand that none of our other rights, nor your rights, under this policy are affected by this arbitration.

- (F) Exclusions (what we will not pay for):** These exclusions are in addition to those appearing under Section One.

We will not pay for physical loss of or damage:

1. **Mechanical Breakdown/Wear and Tear/ "Ingestion":** which is due and confined to wear and tear, deterioration, freezing, mechanical, structural or electrical breakdown or failure, unless the loss or damage is the direct result of other physical damage covered under this policy, nor will we pay for engine loss or damage which is caused by heat which results from the start up, operation, shutdown, or the attempted start up, operation or shutdown of the engine, or is caused by or is attributed to the ingestion of stone, grit, dust, sand, ice or any corrosive or

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abrasive material or any other substance which has a progressive or cumulative damaging effect.

2. **Loss of Use, Depreciation, Guaranty or Warranty:** that results because the "aircraft" cannot be used, nor will we pay for depreciation, or loss of guaranty, or warranty, however caused.
3. **Tires:** to tires, except if damaged by fire or stolen, unless the loss or damage is a direct result of other physical damage insured under this policy.
4. **Undisclosed Financial Interest:** to the "aircraft" if any person, other than you and those named in the policy, has any financial interest in the "aircraft".
5. **Conversion, Embezzlement, Secretion:** due to conversion, embezzlement or secretion by any person in possession of the "aircraft" due to any lien, mortgage or any other encumbrance, or due to any rental, sales or purchase agreement, nor to any physical loss or damage resulting therefrom.

(G) Your Duties (what you must do):

If the "aircraft" is damaged or lost you must:

1. **Protect the "Aircraft":** whether or not the damage or loss is covered by this policy, do everything possible to protect the "aircraft" from further damage or loss. If this is not done we will not pay for any further damage or loss to the "aircraft". If the reasonable expenses incurred in doing this arise out of damage or loss covered by this policy, then we will make reimbursement for these reasonable expenses.
2. **Notice:** immediately notify us and the police if there is any theft. we will not pay for any reward offered unless we agree.
3. **Sworn Statement in Proof of Loss:** give us a sworn statement in Proof of Loss within 60 days of the "accident" on a form which we will provide upon request.
4. **Co-operation, Statement Under Oath, Exhibiting of Damaged "Aircraft":** co-operate with us and provide all documents and statements requested by us and help us to recover the "aircraft". If the "accident" is covered under the policy we will pay for the reasonable costs for doing this. You must allow us to take statements under oath of the insured and anyone we choose and exhibit the damaged "aircraft" to us. You also agree to preserve the damaged "aircraft" until we authorize its disposal. You must attend hearings and trials and help us in obtaining the attendance of witnesses and in the conduct of suits.

(H) When We Will Pay – Action Against Us. We will pay for loss or damage to the "aircraft" within 60 days after you have given us a sworn Statement in Proof of Loss, provided both parties agree on the amount and provided we agree that the "accident" is covered. You may not bring any suit or action against us until 60 days after we have been given a sworn Statement in Proof of Loss, nor may you bring any suit or action against us more than 12 months after the date of the "accident".

(I) Theft. If the "aircraft", or any part of it, is stolen and recovered before we have paid for it, we may return it to you along with payment for any physical damage to it in accordance with the terms of the policy. Whether before or after we pay the loss, the insured under Section Two must notify us as soon as the "aircraft", or any part of it, is located.

(J) Reinstatement Of Coverage. In the event of loss, even if it is not insured by this policy, the amount of insurance applicable to the "aircraft" will be reduced at the date of "accident" by the

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amount of the loss and the reduced amount of insurance will continue until repairs are started after which the amount of insurance will automatically increase by the cost of the repairs until the original amount of insurance is reinstated or the policy has expired.

SECTION THREE

INSURANCE FOR LIABILITY TO OTHERS

Please refer to the Individual Aircraft Coverage Identification Details forming part of the Declarations to see what liability coverage and limits apply separately to each "aircraft".

- (A) **What We Insure.** We will pay on behalf of the insured, claims which must legally be paid because of an "occurrence" causing "bodily injury" or "property damage", but see the exclusions which show what we will not insure.

But we will only pay for these claims if they arise out of the ownership, maintenance or use of the "aircraft".

Aggregate Limit Each Occurrence. Regardless of the amounts payable, as described below, the Aggregate Limit Each Occurrence shown in relation to each "aircraft" is the maximum we will pay for all liability arising in respect of that "aircraft" as the result of one "occurrence".

Bodily Injury To Passengers. This coverage insures liability for "bodily injury" to "passengers" of the "aircraft". Subject to the Aggregate Limit Each Occurrence, the maximum amount we will pay for each "passenger" is the amount shown under Bodily Injury To Passengers Each Passenger. The maximum amount we will pay for all "bodily injury" to "passengers" arising from one "occurrence" is the Bodily Injury To Passengers Each Passenger amount multiplied by the Total Number of Seats Including Crew in respect of that "aircraft".

Bodily Injury To Non Passengers. This coverage insures liability for "bodily injury" to persons other than "passengers" of the "aircraft". Subject to the Aggregate Limit Each Occurrence, the maximum amount we will pay each person is the amount shown under Bodily Injury To Non Passengers Each Person.

Property Damage. This Coverage insures liability for "property damage". Subject to the Aggregate Limit Each Occurrence, the maximum amount we will pay for all "property damage" arising from one "occurrence" is the amount shown under Property Damage Each Occurrence.

Medical Payments. This coverage pays for all reasonable medical and funeral expenses incurred by "passengers" of the "aircraft", but only if the expenses are incurred within a period of one year from the date of the "occurrence". Subject to the Aggregate Limit Each Occurrence, the maximum amount we will pay for all medical expenses for each person is shown under Medical Payments Each Passenger. The maximum amount we will pay for all medical payments as the result of one "occurrence" is the Medical Payments Each Passenger amount multiplied by the Total Seats Including Crew in respect of that "aircraft".

Separate Insureds. The coverages shown above apply separately to each insured under this Section of the policy against whom claim is made or suit is brought, but regardless of the number of persons, partnerships, corporations or organizations insured under this Section of the policy we will not pay more than the Aggregate Limit Each Occurrence.

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(B) Special Provisions

1. Defense, Settlement, Supplementary Payments.

This Special Provision only applies to Section Three of the policy, and applies only if insurance is provided by the policy (but see the exclusions which show claims for which we will not provide defense) and in this connection we will:

- (a) **Defense:** defend, at our expense, any claim or legal action made against the insured because of an "occurrence" causing "bodily injury" or "property damage" insured under this policy. We may investigate, negotiate or settle any claim or legal action as we see fit.
- (b) **Bonds:** pay premiums for appeal bonds and for bonds to release any property that is being held as security. However, we are not under any obligation to apply for or furnish such bonds.
- (c) **Expenses:** pay the expense and the court costs of claims or legal actions we defend, and interest that is owed on a judgment we are paying until we have paid or offered to pay the part of such judgment which does not exceed the applicable Limit of Liability as shown in the applicable Individual Aircraft Coverage Identification Details forming part of the Declarations.

We will pay expenses incurred by the insured, in the event of "bodily injury", for emergency medical and surgical relief to others necessary at the time of the "occurrence". We will also reimburse the insured for all reasonable expenses (other than loss of earnings or wages and salaries of employees) incurred at our request.

We will pay the amounts incurred under this Special Provision 1, except for settlement of suits and claims, in addition to the Limit of Liability shown in the applicable Individual Aircraft Coverage Identification Details forming part of the Declarations.

2. Use of Other Aircraft

- (a) If you are one individual, and are the only insured shown under Named Insured of the Declarations, and
 - (b) If the Purpose of Use shown all Individual Aircraft Coverage Details forming part of the Declarations is only Business and Pleasure or Industrial Aid, and
 - (c) If we insure all aircraft owned or leased by you,
- then we will extend the insurance provided by this section of the policy to include use of another aircraft by you or your spouse if living together, provided:
- (i) This other aircraft, in relation to any aircraft shown in the Individual Aircraft Coverage Details forming part of the Declarations:
 - I. is of the same Type and has the same number of, or less, engines;
 - II. has engine power not exceeding 150%;
 - III. has the same, or less, total seats, including crew.
- and
- IV. has a standard airworthiness certificate issued by the "F.A.A.";
 - V. is not owned in whole or in part by you or any member of your household;

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VI. is not leased to you under any form of lease agreement with a term of more than 30 days or lease option or purchase agreement.

- (ii) The Insurance provided under this policy will only apply in excess of any other collectible insurance available to you or your spouse.
- (iii) We will not insure under this Special Provision 2, physical loss of or damage to the other aircraft being used or depreciation, loss of guaranty or warranty, however caused.
- (iv) We will not insure or defend under this Special Provision 2 the owner of the other aircraft being used or any agent or employee of that owner.
- (v) We will not under this Special Provision 2 provide insurance for, or defend, any claim because of products manufactured, sold, handled or distributed by you or your spouse.

3. Premises

If the insured has the right to use premises at an airport for parking or storing the "aircraft", the coverage for liability to others will also protect the insured for claims which must legally be paid because of an "occurrence" causing "bodily injury" or "property damage" arising out of their use of those premises. The amount we will pay is included as part of the Aggregate Limit Each Occurrence shown in the applicable Individual Aircraft Coverage Details forming part of the Declarations

(C) Exclusions: (What we will not pay for) These exclusions are in addition to those shown under Section One.

1. Noise, Pollution and Other Perils Exclusion Clause.

- (a) this policy does not cover claims directly or indirectly occasioned by, happening through or in consequence of:
 - (i) noise (whether audible to the human ear or not), vibration, sonic boom and any phenomena associated therewith,
 - (ii) pollution and contamination of any kind whatsoever,
 - (iii) electrical and electromagnetic interference,
 - (iv) interference with the use of property;

unless caused by or resulting in a crash, fire, explosion, or collision or a recorded in flight emergency causing abnormal aircraft operation.

- (b) With respect to any provision in the policy concerning any duty of us to investigate or defend claims, such provision shall not apply and we shall not be required to defend
 - (i) claims excluded by Paragraph 1 or
 - (ii) a claim or claims covered by the policy when combined with any claims excluded by Paragraph 1 (referred to below as 'Combined Claims').
- (c) In respect of any Combined Claims, we shall (subject to proof of loss and the limits of the policy) reimburse the insured for that portion of the following items which may be allocated to the claim or claims covered by the Policy:
 - (i) damages awarded against the insured and
 - (ii) defense fees and expenses incurred by the insured.
- (d) Nothing herein shall override any radioactive contamination or other exclusion clause attached to or forming part of this policy.

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2. **Employees.** This Policy does not insure claims nor provide defense for claims because of "bodily injury" to any employee of the insured while in the course and scope of his employment for the person, organization, partnership or corporation against whom the claim has been made, or to any obligation for which the insured or any company as their insurer may be held liable under any Workers' Compensation, Occupational Disease, Disability Benefit, Unemployment Compensation, Employers Liability, United States Longshoremen's and Harbor Workers Act, The Jones Act, Federal Employers Liability Act, Defense Bases Act, or any similar act, plan or law, whether state, federal or foreign.

3. **"Bodily injury" to you.** This policy does not insure claims nor provide defense for claims because of "bodily injury" to any person who is a "Named Insured", or their spouse(s) or damage to the respective estates resulting from their "bodily injury".

4. **Property.** This policy does not insure claims nor provide defense for claims because of "property damage" to property which is:

(a) Owned or rented or leased by the insured:

or

(b) In the care, custody or control of the insured:

or

(c) Being transported by the insured.

But we will cover "personal belongings" up to a limit of \$500 each "passenger".

If "property damage" is not covered by virtue of this exclusion, we also do not insure against delay, loss of market, loss of use or any consequential loss arising from such "property damage".

This exclusion does not apply to property that is owned by one person, organization, partnership or corporation insured hereunder and damaged by another person, organization, partnership or corporation insured under this policy.

This exclusion does not apply as respects the coverage provided under Section Three (B) Special Provision 3 (premises).

5. **Intentional Injury.** This policy does not insure claims, nor provide defense, for intentional "bodily injury" or "property damage" caused by or at the direction of the insured, except to prevent physical loss or damage to the "aircraft" or other dangerous interference with the operation of the "aircraft".

6. **Assumed Liability.** This policy does not insure claims, nor provide defense for claims if the insured has signed an agreement that obligates them to assume the liability of others but this exclusion does not apply to:

(a) Liability assumed under any written agreement required by statute or ordinance or by any rule or regulation made by a Federal, State, County or Municipal Authority as a condition of use of any airport or airport facility.

(b) Legal Liability which would have existed whether or not the agreement was signed.

(D) **Who Is Insured Under This Section Of The Policy.** We will insure any person while using or riding in the "aircraft" and any person or organization legally responsible for its use provided the actual use is with the expressed permission of you, but see Section Three (A) (Separate Insureds).

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We will not insure:

1. Any employee, or official of the insured for "bodily injury" that such person causes to another official or employee of the same employer if injured in the scope of their employment;
2. Any person or organization, or their agents or employees (but not your employees while in the scope of their employment) who are involved in the manufacture or repair of aircraft, aircraft engines, aircraft parts or accessories, or in the operation of an aircraft electronic repair shop, airport, hangar, Aircraft sales agency, airline, aircraft rental service, commercial flying service, air taxi or charter flying service, flying club or flying school if an "occurrence" arises because of their operations;
3. A student pilot, other than you, or any person or organization renting or leasing the "aircraft" or any person operating the "aircraft" with the actual or implied knowledge or consent of said student pilot, individual or organization renting or leasing the "aircraft".

(E) Insured's Duties. (what Insureds must do): In the event of an "occurrence" the insured must:

1. immediately notify us at our address, which is shown in the Declarations; this notice must identify you, and contain details of the "occurrence" including the time, place and circumstances and the names and addresses of any injured people and witnesses.
2. if claim is made or suit is filed against the insured, the person or organization insured must immediately notify us by telephone or telegraph and forward the suit or claim and any demand, notice, summons, or other legal document to us at our address, which is shown in the Declarations.

(F) Suit Or Action Against Us: (This does not apply to Section Three (A) Medical Payments Coverage) No insured may sue us to recover payment under this Section Three of the policy, until all the terms of the policy have been complied with and a court has entered a judgment against the insured.

No insured may bring us into any legal action to determine their liability or the liability of the insured.

If the insured files bankruptcy or becomes insolvent, this does not relieve us of our obligations under this policy.

(G) Financial Responsibility Laws. If this policy is certified as proof of financial responsibility under any Aircraft financial responsibility law, the coverages provided by this policy will comply with the provisions of that law but only to the extent of the coverage and limits of liability required by such law, but in no event in excess of the limits of liability shown in this policy. The insured must pay back to us any payment we make which we would not have had to make under this policy if it had not been for this paragraph.

(H) Medical Reports:

1. **Proof and Payment of Claim (Applies to medical payments coverage only):** As soon as possible the injured person(s) or someone on their behalf must give us written proof of claim, under oath if we require, and must, if we request, authorize us to obtain medical reports and copies of records. The injured person(s) must submit to physical examination by a physician selected by us when and as often as we may reasonably request. We will pay the injured person(s) or any person(s) or organization rendering the services but this payment will be

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deducted from the amount payable for the injury under any other coverages provided under Section Three of this policy. Payment for medical examination does not mean that we admit liability for the injury.

2. **Action Against Us (Applies to Medical Payments only):** Legal action against us for medical payments cannot be made unless the insured has done everything we require to be done and at least 60 days must have passed since the proof of claim has been given to us.
3. **Other Insurance (Applies to Medical Payments only):** With respect to Section One General Condition (N) (aircraft additions and deletions) and Section Three (B) Special Provision 2 (Use of other aircraft), the Insurance provided by Section Three (A) Coverage E (medical payments) is excess insurance over any other valid medical payments insurance that the insured can collect.
4. We do not admit that the insured has any legal liability by making medical expense payments.

Policy No. AACN00027467

Endorsements No. 1 – 98 Aircraft Coverage Pages

**These endorsements are intentionally not included because
they reflect the aircraft schedule as of July 1, 2001.**

Please use Schedule A as the current aircraft schedule.

PROPOSAL NO.	*	INVITATION FOR BID	*	DATE	*	PAGE
	*	SCHEDULE E	*		*	
AC-53	*	POLICY FORMS & ENDORSEMENTS	*	May 7, 2002	*	34 of 127

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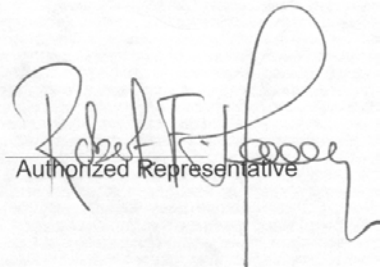
This Endorsement effective July 1, 2001
Forms part of Policy Number AAC N00027467
Issued to State Of Louisiana
by ACE Property and Casualty Insurance Company

PILOTS WHO MAY FLY THE AIRCRAFT
(For use with Aircraft Policy AAC 102 11/99)

The "aircraft" may only be flown by the pilots listed below provided that those pilots have all the qualifications shown in this endorsement and provided also that all pilots are properly certificated, rated and qualified under the current "F.A.A." regulations which apply to the operation of the "aircraft".

As respects Fixed-Wing Aircraft - Any pilot who has been approved by the Named Insured who possesses a commercial license and an instrument rating; or a student pilot being trained for a commercial pilot's license.

As respects Rotary-Wing Aircraft - Any commercial rotary-wing rated pilot who has been approved by the Named Insured; or a student pilot being trained for a commercial rotary-wing pilot's license.


Authorized Representative

Endorsement No. 99

AAC 104 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
 Forms part of Policy Number AAC N00027467
 Issued to State Of Louisiana
 by ACE Property and Casualty Insurance Company

NON-OWNED AIRCRAFT LIABILITY ENDORSEMENT
 (For use with Aircraft Policy AAC 102 11/99)

In consideration of an additional premium shown in the Schedule of this endorsement, we agree to provide insurance under Section Three of this policy in respect of aircraft which are used by you, but which are not owned by you, but only for the Limits of Liability described in the Schedule of this endorsement.

The insurance provided by this endorsement is subject to the following terms:

1. The following amendments are made to this Policy:
 - (a) Paragraph 1 of General Condition (N) of Section One (Aircraft Additions and Deletions) is deleted;
 - (b) Paragraph 2 of Item (B) of Section Three (Use of Other Aircraft) is deleted;
 - (c) General Condition (F) of Section One (Other Insurance) is deleted and replaced by the following:

 If you have any other available insurance which will pay for an "occurrence" insured under this endorsement, we will only pay in excess of that other insurance.
2. The insurance provided by this endorsement does not apply to:
 - (a) Aircraft in which you have an interest either as owner or financially;
 - (b) Aircraft which are leased to you for a period of Thirty (30) days or more, or to:
 - (i) any member of your household or family, if you are an individual;
 - (ii) any executive officer or partner, or member of an executive officer's or partner's household or family, if you are a corporation or partnership;
 - (c) Any claims, nor provide any defense for claims, arising out of any product manufactured, sold, handled or distributed by you;
 - (d) Aircraft which have total seating capacity, including "crew" seats, which exceed that shown under Maximum Seating Capacity in the Schedule of this endorsement;
 - (e) Any claims for loss of or damage to the aircraft nor for any claims because the aircraft cannot be used. Neither will We provide any defense for these claims.
3. As respects the insurance provided by this endorsement only, any exclusion contained in this policy relating to pilot requirements or qualifications shall not apply with respect to pilots who are not in the employment of the Insured.

Endorsement No. 100

AAC 105 (11/99)

Page 1 of 2


 Authorized Representative

This Endorsement effective July 1, 2001
 Forms part of Policy Number AAC N00027467
 Issued to State Of Louisiana
 by ACE Property and Casualty Insurance Company

SCHEDULE

- Maximum Seating Capacity Not To Exceed: 45
- Limits of Liability

Bodily Injury To		Property Damage Each Occurrence	Medical Payments Each Passenger	Passenger Voluntary Settlement Limit Each Passenger (Including Crew)
Passengers Each Passenger	Non Passengers Each Person			
\$10,000,000	\$10,000,000	\$10,000,000	Not Insured	Not Insured

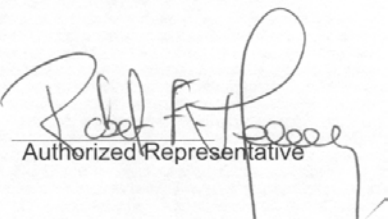
Cargo Legal Liability		Passenger Baggage Liability			Aggregate Limit Each Occurrence
Each Aircraft/ Limit	Each Occurrence Deductible	Each Passenger Limit	Each Occurrence Limit	Each Passenger Deductible	
Not Insured	Not Insured	Not Insured	Not Insured	Not Insured	\$10,000,000

Section Three Premium For Non-Owned Aircraft	
Annual	Due Hereon
Included	Included

Endorsement No. 100

AAC 105 (11/99)

Page 2 of 2


 Authorized Representative

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
Forms part of Policy Number AAC N00027467
Issued to State Of Louisiana
by ACE Property and Casualty Insurance Company

ADDITIONAL INSURED ENDORSEMENT
(For use with Aircraft Policy AAC 102 11/99)

In consideration of an additional premium of Included , we agree that the Coverages provided under Section Three shall also insure the following as an additional insured:

NAME: Loop, Inc.

ADDRESS:

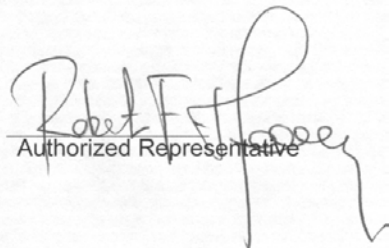
but only with respect to the operation of the following "aircraft" by you; it is warranted that the above additional insured has no operational interest in the "aircraft".

"F.A.A."
CERTIFICATE
NUMBERS:

N9476Y, N61092, N70365, N9667Q

The insurance provided by this endorsement does not:

- (1) Apply to any Section Three Coverage which has not been purchased by you;
- (2) Apply to any Section Three Coverage or provision which the policy shows as being for your benefit only;
- (3) Reduce any of our rights of action or recovery against the above additional insured relating to their operations as manufacturers, suppliers or servicing agents where we would have had those rights if this endorsement had not been issued;
- (4) Increase our limit(s) of liability shown in the applicable Aircraft Coverage Page beyond the amount we would have paid if only you were insured under this Policy.


Authorized Representative

Endorsement No. 101

AAC 108 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
Forms part of Policy Number AAC N00027467
Issued to State Of Louisiana
by ACE Property and Casualty Insurance Company

ADDITIONAL INSURED ENDORSEMENT
(For use with Aircraft Policy AAC 102 11/99)

In consideration of an additional premium of Included , we agree that the Coverages provided under Section Three shall also insure the following as an additional insured:

NAME: U.S. Forestry Service

ADDRESS:

but only with respect to the operation of the following "aircraft" by you; it is warranted that the above additional insured has no operational interest in the "aircraft".

"F.A.A."
CERTIFICATE
NUMBERS:

N6611M, N12991, N98188

The insurance provided by this endorsement does not:

- (1) Apply to any Section Three Coverage which has not been purchased by you;
- (2) Apply to any Section Three Coverage or provision which the policy shows as being for your benefit only;
- (3) Reduce any of our rights of action or recovery against the above additional insured relating to their operations as manufacturers, suppliers or servicing agents where we would have had those rights if this endorsement had not been issued;
- (4) Increase our limit(s) of liability shown in the applicable Aircraft Coverage Page beyond the amount we would have paid if only you were insured under this Policy.


Authorized Representative

Endorsement No. 102

AAC 108 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
Forms part of Policy Number AAC N00027467
Issued to State Of Louisiana
by ACE Property and Casualty Insurance Company

ADDITIONAL INSURED ENDORSEMENT
(For use with Aircraft Policy AAC 102 11/99)

In consideration of an additional premium of Included , we agree that the Coverages provided under Section Three shall also insure the following as an additional insured:

NAME: Petroaviation, Inc.

ADDRESS: 9210 CE Wolman
Baton Rouge, Metropolitan Airport
Baton Rouge, LA 70807

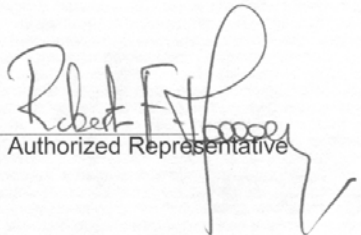
but only with respect to the operation of the following "aircraft" by you; it is warranted that the above additional insured has no operational interest in the "aircraft".

"F.A.A."
CERTIFICATE
NUMBERS:

All "aircraft" insured by this policy

The insurance provided by this endorsement does not:

- (1) Apply to any Section Three Coverage which has not been purchased by you;
- (2) Apply to any Section Three Coverage or provision which the policy shows as being for your benefit only;
- (3) Reduce any of our rights of action or recovery against the above additional insured relating to their operations as manufacturers, suppliers or servicing agents where we would have had those rights if this endorsement had not been issued;
- (4) Increase our limit(s) of liability shown in the applicable Aircraft Coverage Page beyond the amount we would have paid if only you were insured under this Policy.


Authorized Representative

Endorsement No. 103

AAC 108 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
Forms part of Policy Number AAC N00027467
Issued to State Of Louisiana
by ACE Property and Casualty Insurance Company

ADDITIONAL INSURED ENDORSEMENT
(For use with Aircraft Policy AAC 102 11/99)

In consideration of an additional premium of Included , we agree that the Coverages provided under Section Three shall also insure the following as an additional insured:

NAME: Transamerica Equipment Financial Services, its Affiliates, Successors and Assigns
and their respective directors, officers, employees, servants, agents and trustees

TA Public Finance Air 1, Corp.

Commercial Bank, N.A.
Trustee for TA Public Finance Air 1, Corp.

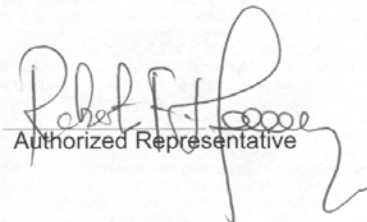
but only with respect to the operation of the following "aircraft" by you; it is warranted that the above additional insured has no operational interest in the "aircraft".

"F.A.A."
CERTIFICATE
NUMBERS:

Any "aircraft" identified in an Aircraft Coverage Page which is under the control of Louisiana Tech University - State Agency #5000.

The insurance provided by this endorsement does not:

- (1) Apply to any Section Three Coverage which has not been purchased by you;
- (2) Apply to any Section Three Coverage or provision which the policy shows as being for your benefit only;
- (3) Reduce any of our rights of action or recovery against the above additional insured relating to their operations as manufacturers, suppliers or servicing agents where we would have had those rights if this endorsement had not been issued;
- (4) Increase our limit(s) of liability shown in the applicable Aircraft Coverage Page beyond the amount we would have paid if only you were insured under this Policy.


Authorized Representative

Endorsement No. 104

AAC 108 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
 Forms part of Policy Number AAC N00027467
 Issued to State Of Louisiana
 by ACE Property and Casualty Insurance Company

NON-OWNED AIRCRAFT PHYSICAL DAMAGE ENDORSEMENT
 (For use with Aircraft Policy AAC 102 11/99)

In consideration of an additional premium of Included , it is agreed that:

1. we agree that exclusion 2.e of the Non-Owned Aircraft Liability Endorsement - AAC 109 (11/99) shall not apply with respect to liability imposed by law upon the Insured for loss of or damage to an aircraft, including resultant loss of use of that aircraft, provided the aircraft:
 - (a) is the property of others and, which at the time of the loss, is in the custody of the Insured for use by or in your interest; and
 - (b) has a Standard Airworthiness Certificate; and
 - (c) has a maximum certified gross weight not exceeding that shown in the Schedule of this endorsement; and
 - (d) has a maximum "passenger" seating capacity, including "crew", not exceeding that shown in the Schedule of this endorsement.

2. In respect only to the coverage provided under this endorsement, the exclusions of this policy are extended to include the following:

This insurance provided by this endorsement does not apply to:

- a) Loss of or damage to robes, wearing apparel, personal effects or merchandise of any description, whether the aircraft in which they are contained is stolen or damaged.
 - b) Loss of or damage to any aircraft owned by, or leased under long term lease or lease option purchase agreement to the Insured or the Insured's family or employees or, if the Insured is a co-partnership, by any member thereof or a member's family or, if the Insured is a corporation, by any officer or officer's family.
 - c) Loss of or damage to any material furnished by the Insured or any work done by the Insured out of which the "accident" arises.
 - d) Liability assumed by the Insured under any contract or agreement not identified specifically or by definition under this policy.
3. The most we will pay in respect of the insurance provided by this endorsement is the Each Aircraft/ Each Occurrence Amount shown in the Schedule of this endorsement, however we will deduct the Each and Every Claim Deductible Amount shown in the Schedule of this endorsement from each payment we make.

Payments we make under this endorsement:

- (a) are included within, and are not in addition to, the Limits of Liability shown in the Non-Owned Aircraft Liability Endorsement - AAC 109 forming part of this policy; and
 - (b) shall be excess of any other valid and collectible insurance available to you.

Endorsement No. 105

AAC 111 (11/99)

Page 1 of 2

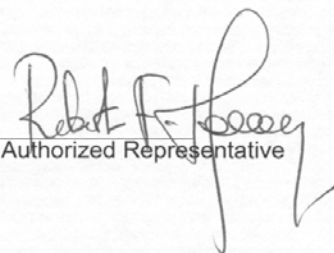
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Forms part of Policy Number AAC N00027467
Issued to State Of Louisiana
by ACE Property and Casualty Insurance Company

4. As respects the insurance provided by this endorsement only, any exclusion contained in this policy relating to pilot requirements or qualifications shall not apply with respect to pilots who are not in the employment of the Insured.

SCHEDULE

Each Aircraft/Each Occurrence Amount:	\$1,000,000
Each and Every Claim Deductible Amount:	\$5,000
Maximum Certified Gross Weight:	12,500 lbs.
Maximum "Passenger" seating Capacity, Including "crew":	45


Authorized Representative

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This Endorsement effective July 1, 2001
 Forms part of Policy Number AAC N00027467
 Issued to State Of Louisiana
 by ACE Property and Casualty Insurance Company

WAR, HI-JACKING AND OTHER PERILS EXCLUSION CLAUSE (Aviation)
 (For use with Aircraft Policy AAC 102 11/99)

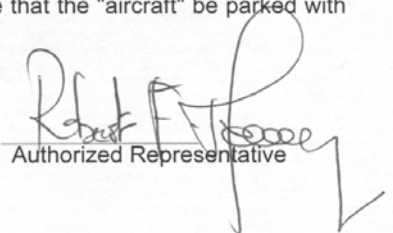
It is understood and agreed that exclusion (G) of Section One of policy form AAC 102 (11/99) (War and Other Perils Exclusion Clause) is deleted and replaced with the following:

This policy does not cover claims caused by:

- (a) War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, martial law, military or usurped power or attempts at usurpation of power.
- (b) Any hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- (c) Strikes, riots, civil commotions or labor disturbances.
- (d) Any act of one or more persons, whether or not agents of a sovereign power, for political or terrorist purposes and whether the loss or damage resulting therefrom is accidental or intentional.
- (e) Any malicious act of sabotage.
- (f) Confiscation, nationalization, seizure, restraint, detention, appropriation, requisition for title or use by or under the order of any government (whether civil, military or de facto) or public or local authority.
- (g) Hijacking or any unlawful seizure or wrongful exercise of control of the "aircraft" or "crew" in "flight" (including any attempt at such seizure or control) made by any person or persons on board the "aircraft" acting without the consent of the insured.

Furthermore this policy does not cover claims arising while the "aircraft" is outside the control of the Insured by reason of any of the above perils.

The "aircraft" shall be deemed to have been restored to the control of the Insured on the safe return of the "aircraft" to the Insured at an airfield not excluded by the geographical limits of this policy, and entirely suitable for the operation of the "aircraft" (such safe return shall require that the "aircraft" be parked with engine shut down and under no duress).


 Authorized Representative

Endorsement No. 106

AAC 113 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
Forms part of Policy Number AAC N00027467
Issued to State Of Louisiana
by ACE Property and Casualty Insurance Company

*Rescinded 9/30/2001
See Policy Change 121*

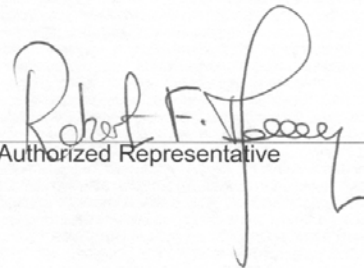
EXTENDED COVERAGE ENDORSEMENT (Aircraft Hulls)
(For use with Aircraft Policy AAC 102 11/99)

Notwithstanding the contents of the War, Hijacking and Other Perils Exclusion Clause AAC 110 (11/99) of this policy, IT IS HEREBY UNDERSTOOD AND AGREED that this policy is extended to cover claims caused by the following risks:

- (i) Strikes, riots, civil commotions or labor disturbances;
- (ii) Any malicious act or act of sabotage;
- (iii) Hijacking or any unlawful seizure or wrongful exercise of control of the "aircraft" or "crew" in "flight" (including any attempt at such seizure or control) made by any person or persons on board the "aircraft" acting without the consent of the Insured.

PROVIDED ALWAYS THAT:

- 1. The above extensions shall only apply to the extent that the loss or damage is not otherwise excluded by (a), (b), (d) and (f) of the War, Hijacking and Other Perils Exclusion Clause;
- 2. The limits of our liability in respect of any or all of the risks covered under this endorsement shall not exceed the sum of \$3,500,000 in the aggregate during the policy period;
- 3. The Insured has paid or has agreed to pay the additional premium of Included required by us in respect of this extension;
- 4. The insurance provided by this endorsement may be cancelled by our giving notice effective seven (7) days from midnight Greenwich Mean Time on the day on which notice is issued.


Authorized Representative

Endorsement No. 107

AAC 114 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
 Forms part of Policy Number AAC N00027467
 Issued to State Of Louisiana
 by ACE Property and Casualty Insurance Company

*Rescinded 9/30/2001
 See Policy Change 121*

EXTENDED COVERAGE ENDORSEMENT (AVIATION LIABILITIES)

(For use with Aircraft Policy AAC 102 11/99)

1. WHEREAS the Policy of which this Endorsement forms part includes the War, Hi-jacking and Other Perils Exclusion Clause (Aviation) AAC 110 (11/99), IN CONSIDERATION of an additional Premium of Included it is hereby understood and agreed that all sub-paragraphs other than (b) of Clause AAC 110 (11/99) forming part of this policy are deleted SUBJECT TO all terms and conditions of this Endorsement.

2. EXCLUSION applicable only to any cover extended in respect of the deletion of sub-paragraph (a) of Clause AAC 110 (11/99).

Cover shall not include liability for damage to any form of property on the ground situated outside Canada and the United States of America unless caused by or arising out of the use of "aircraft".

3. AUTOMATIC TERMINATION

To the extent provided below, cover extended by this Endorsement shall TERMINATE AUTOMATICALLY in the following circumstances:

(i) All cover

- upon the outbreak of war (whether there be a declaration of war or not) between any two or more of the following States, namely, France, the People's Republic of China, the Russian Federation, the United Kingdom, the United States of America

(ii) Any cover extended in respect of the deletion of sub-paragraph (a) of Clause AAC 110 (11/99)

- upon the hostile detonation of any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter wheresoever or whensoever such detonation may occur and whether or not the Insured "aircraft" may be involved.

(iii) All cover in respect of any of the Insured "aircraft" requisitioned for either title or use

- upon such requisition

PROVIDED THAT if an insured "aircraft" is in the air when (i), (ii) or (iii) occurs, then the cover provided by this Endorsement (unless otherwise cancelled, terminated or suspended) shall continue in respect of such as "aircraft" until completion of its first landing thereafter and any "passengers" have disembarked.

4. REVIEW AND CANCELLATION

(a) Review of Premium and/or Geographical Limits (7 days)

We may give notice to review premium and/or geographical limits - such notice to become effective on the expiry of seven days from 23.59 hours Greenwich Mean Time (GMT) on the day on which notice is given.

Endorsement No. 108

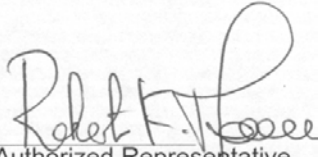
AAC 115 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
Forms part of Policy Number AAC N00027467
Issued to State Of Louisiana
by ACE Property and Casualty Insurance Company

Rescinded

- (b) Limited Cancellation (48 hours)
Following a hostile detonation as specified in 3. (ii) above, we may give notice of cancellation of one or more parts of the cover provided by paragraph 1. of this Endorsement by reference to sub-paragraphs (c), (d), (e), (f) and/or (g) of Clause AAC 110 (11/99) - such notice to become effective on the expiry of forty-eight hours from 23.59 hours (GMT) on the day on which notice is given.
- (c) Cancellation (7 days)
The cover provided by this Endorsement may be cancelled by either the Insured or us giving notice to become effective on the expiry of seven days from 23.59 hours (GMT) on the day on which notice is given.
- (d) Notices
All notices referred to herein shall be in writing.


Authorized Representative

Endorsement No. 108

AAC 115 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
Forms part of Policy Number AAC N00027467
Issued to State Of Louisiana
by ACE Property and Casualty Insurance Company

WAIVER OF SUBROGATION ENDORSEMENT
(For use with Aircraft Policy AAC 102 11/99)

In consideration of an additional premium of Included , it is understood and agreed that we waive our rights of recovery, as provided for under General Condition (E) of Section One of this policy, against the undernoted but only with respect to the insurance provided under Section Two of this policy.

This endorsement does not waive any of our rights of action or recovery relating to operations as manufacturers, suppliers or servicing agents.

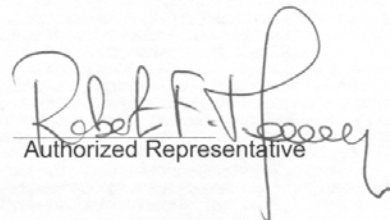
Name: Loop, Inc.

Address:

City/State:

This endorsement applies only to the following aircraft:

Cessna 210, N9476Y
Cessna 182, N61092
Cessna 182, N70365
Cessna 185, N9667Q


Authorized Representative

Endorsement No. 109

AAC 139 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
 Forms part of Policy Number AAC N00027467
 Issued to State Of Louisiana
 by ACE Property and Casualty Insurance Company

STUDENT AND RENTER PILOT ENDORSEMENT
 (For use with Aircraft Policy AAC 102 11/99)

In consideration of the premium at which this policy is written, it is understood and agreed that:

- Paragraph 3 of Part (D) of Section Three of the policy (who is insured under this section of the policy) is amended to read:

- A "student pilot", other than you, or any person or organization renting or leasing the "aircraft" or any person operating the "aircraft" while in violation of the Federal Aviation Regulations or any person operating the "aircraft" with the actual or implied knowledge or consent of said "student pilot", person or organization renting or leasing the "aircraft".

- The following definitions are added to the policy:

"Student Pilot", means any pilot receiving instruction either dual or solo, from an "F.A.A." Certificated Flight Instructor employed by you.

"Renter Pilot", means any pilot leasing or renting an "aircraft" insured under this policy from you.

- The following exclusion is added to the policy:

The insurance afforded by this endorsement does not apply to any "student pilot" or "renter pilot" who operates or permits the "aircraft" to be operated:

- in violation of the "F.A.A." regulations applicable to: acrobatic flight, instrument flight, the operating limitations of the "aircraft", minimum safe altitudes, night flying, student instruction, pilot certificates and ratings;
- for any unlawful purposes.

- With respect to the insurance afforded by this endorsement, Our limit of liability under Section Three of this policy shall not exceed the following:

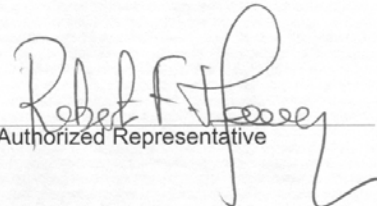
Bodily Injury To		Property Damage Each Occurrence	Aggregate Limit Each Occurrence
Passengers Each Passenger	Non Passengers Each Person		
\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000

The above limits of liability will apply regardless that you may have purchased higher limits. To this extent such higher limits are suspended while the "aircraft" is operated by a "student pilot" or a "renter pilot", or is being used for student instruction.

Coverage for "bodily injury" to "passengers" does not apply while the "aircraft" is being operated by a "student pilot".

Endorsement No. 110

AAC 145 (11/99)


 Authorized Representative

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
 Forms part of Policy Number AAC N00027467
 Issued to State Of Louisiana
 by ACE Property and Casualty Insurance Company

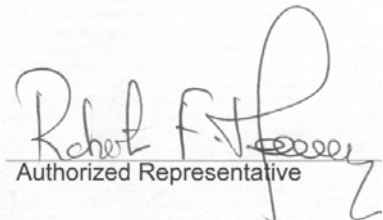
NOT IN FLIGHT LIMITATION ENDORSEMENT
 (For use with Aircraft Policy AAC 102 11/99)

In consideration of the premium at which this policy is written, it is understood and agreed that we will not provide insurance nor defense for the "aircraft" shown below while in "flight".

This endorsement applies regardless of any pilot or territory provisions in this policy.

"F.A.A."
 Cert No(s)

N63109	N296A	
N9923Q	N4488P	
N6301F	N9062P	
N2657R	N49649	
N85962	N9984T	
N9048D	N9063F	
N2201S	N51929	
18258193	N6363Y	
CH322	6509751	
15071781	N7224U	
610635	Unknown	(identified as 1966 Cessna 421-D)
3505	Unknown	(identified as 1946 Alon Ercoupe)
1521J	66-1015	(identified as 1953 Fairchild)


 Authorized Representative

Endorsement No. 111

AAC 152 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
 Forms part of Policy Number AAC N00027467
 Issued to State Of Louisiana
 by ACE Property and Casualty Insurance Company

NUCLEAR RISK EXCLUSION CLAUSE
 (For use with Aircraft Policy AAC 102 11/99)

- (1) This Policy does not provide insurance under any part of this policy or provide defense under any part of this policy:
 - (i) for loss of or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
 - (ii) for any legal liability of whatsoever nature
 directly or indirectly caused by or contributed to by or arising from:
 - (a) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - (b) the radioactive properties of, or a combination of radioactive properties with toxic, explosive or other hazardous properties of, any other radioactive material in the course of carriage as cargo, including storage or handling incidental thereto;
 - (c) ionizing radiations or contamination by radioactive from, or the toxic, explosive or other hazardous properties of, any other radioactive source whatsoever.
- (2) It is understood and agreed that such radioactive material or other radioactive source in paragraph (1)(b) and (c) above shall not include:
 - (i) depleted uranium and natural uranium in any form;
 - (ii) radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial, educational, or industrial purpose.
- (3) This Policy, however, does not provide insurance or provide defense for loss of or destruction to any property or any consequential loss or any legal liability of whatsoever nature with respect to which:
 - (i) the Insured under this Policy is also an insured or an additional insured under any other insurance policy, including any nuclear energy liability policy; or
 - (ii) any person or organization is required to maintain financial protection pursuant to legislation in any country; or
 - (iii) the Insured under this Policy is, or had this Policy not been issued would be, entitled to indemnification from any government or agency thereof.
- (4) Loss, destruction, damage, expense or legal liability in respect of the nuclear risks not excluded by reason of paragraph (2) shall (subject to all other terms, conditions, limitations, warranties and exclusions of this Policy) be covered, provided that:

Endorsement No. 112

AAC 167 (11/99)


 Authorized Representative

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

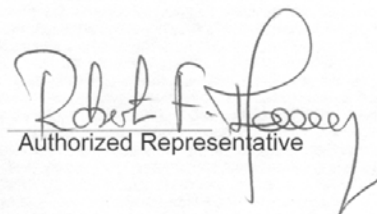
This Endorsement effective July 1, 2001
 Forms part of Policy Number AAC N00027467
 Issued to State Of Louisiana
 by ACE Property and Casualty Insurance Company

NUCLEAR RISKS EXCLUSION CLAUSE (CONT'D.)

- (i) in the case of any claim in respect of radioactive material in the course of carriage as cargo, including storage or handling incidental thereto, such carriage shall in all respects have complied with the full International Civil Aviation Organization "Technical Instructions for the Safe Transport of Dangerous Goods by Air", unless the carriage shall have been subject to any more restrictive legislation, when it shall in all respect have complied with such legislation;
- (ii) this Policy shall only apply to an incident happening during the period of this Policy and where any claim by the Insured against Us or by any claimant against the Insured arising out of such incident shall have been made within three years after the date thereof;
- (iii) in the case of any claim for the loss of or destruction of or damage to or loss of use of an aircraft caused by or contributed to by radioactive contamination, the level of such contamination shall have exceeded the maximum permissible level set out in the following scale:

Emitter (IAEA Health and Safety Regulations)	Maximum permissible level of non-fixed radioactive surface contamination (Averaged over 300cm ²)
Beta, gamma and low toxicity alpha emitters	Not Exceeding 4 Bequerels/cm ² (10 ⁻⁴ microcuries/cm ²)
All other emitters	Not Exceeding 0.4 Bequerels/cm ² (10 ⁻⁵ microcuries/cm ²)

- (iv) the cover afforded hereby may be cancelled by Us at any time by giving seven days notice of cancellation.


 Authorized Representative

Endorsement No. 112

AAC 167 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

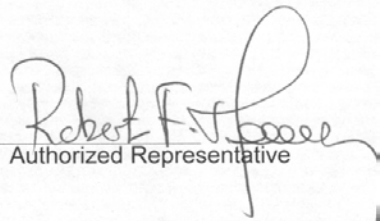
This Endorsement effective July 1, 2001
 Forms part of Policy Number AAC N00027467
 Issued to State Of Louisiana
 by ACE Property and Casualty Insurance Company

DATE RECOGNITION EXCLUSION ENDORSEMENT
 (For use with Aircraft Policy AAC 102 11/99)

We will not provide insurance under any part of this policy or provide defense under any part of this policy for any claim, damage, injury, loss, cost, expense or liability (whether in contract, tort, negligence, product liability, misrepresentation, fraud or otherwise) of any nature whatsoever arising from or occasioned by or in consequence of (whether directly or indirectly and whether wholly or partly):

- (a) the failure or inability of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) accurately or completely to process, exchange or transfer year, date or time data or information in connection with:
 - the change of year from 1999 to 2000; and/or
 - the change of date from 21 August 1999 to 22 August 1999; and/or
 - any other change of year, date or time;
 whether on or before or after such change of year, date or time;
- (b) any implemented or attempted change or modification of any computer hardware, software, integrated circuit, chip or information technology equipment or system (whether in the possession of the Insured or of any third party) in anticipation of or in response to any such change of year, date or time, or any advice given or services performed in connection with any such change or modification;
- (c) any non-use or unavailability for use of any property or equipment of any kind whatsoever resulting from any act, failure to act or decision of the Insured or of any third party related to any such change of year, date or time;

and any provision in this Policy concerning our duty to investigate or defend claims shall not apply to any claims so excluded.


 Authorized Representative

Endorsement No. 113

AAC 169 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
 Forms part of Policy Number AAC N00027467
 Issued to State Of Louisiana
 by ACE Property and Casualty Insurance Company

DATE RECOGNITION LIMITED COVERAGE ENDORSEMENT
 (For use with Aircraft Policy AAC 102 11/99)

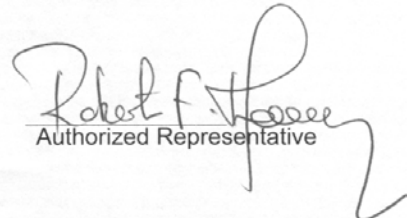
In consideration of the premium at which this policy is written, it is understood and agreed that the Date Recognition Exclusion Endorsement AAC 168 (11/99) shall not apply to any coverage provided under:

1. Section Two (Aircraft Physical Damage), of this policy;
2. Section Three (Insurance for Liability to Others) of this policy for;
 - (a) accidental "bodily Injury" (fatal or otherwise) to "passengers" directly caused by an accident to the "aircraft"; and/or
 - (b) loss of or damage to baggage and personal articles of "passengers", mail and cargo directly caused by an accident to the "aircraft"; and/or
 - (c) accidental "bodily Injury" (fatal or otherwise) or accidental "property damage" directly caused by an "accident" to the "aircraft" or by any person or object falling therefrom;

For the purposes of this paragraph 2, the word "accident" means a sudden event, during the policy period, which is neither expected nor intended by the Insured, that involves the "aircraft".

PROVIDED THAT:

1. Coverage provided pursuant to this endorsement shall be subject to all terms, conditions, limitations, warranties, exclusions and cancellation provisions of the policy (except as specifically provided herein), and nothing in this endorsement extends coverage beyond that which is provided by the policy.
2. Nothing in this endorsement shall provide any coverage in respect of grounding of any "aircraft".
3. The Insured recognizes that we consider the information provided by the Insured in the application form, and/or other documentation provided, to be material to our decision to issue this endorsement. The Insured further agrees that it has a continuing obligation to disclose in writing to us during the policy period any additional material facts relating to the Date Recognition Conformity of the Insured's operations, equipment and products.


 Authorized Representative

Endorsement No. 114

AAC 170 (11/99)

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

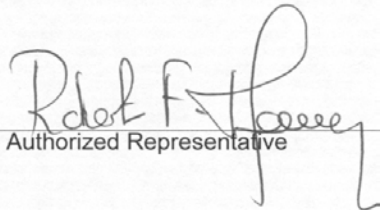
This Endorsement effective July 1, 2001
Forms part of Policy Number AAC N00027467
Issued to State Of Louisiana
by ACE Property and Casualty Insurance Company

PUBLIC USE ENDORSEMENT
(For use with Aircraft Policy AAC 102 11/99)

In consideration of the premium at which this policy is written, it is understood and agreed that:

1. The requirements of this policy for the "aircraft" to have a Standard Airworthiness Certificate are deleted.
2. General Exclusion (f) of this policy is deleted.

provided that the "aircraft" is used solely in the service of a governmental or political sub-division.


Authorized Representative

Endorsement No. 115

AAC 180 (11/99)

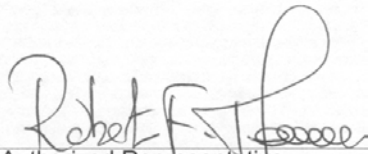
**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

This Endorsement effective July 1, 2001
Forms part of Policy Number AAC N00027467
Issued to State Of Louisiana
by ACE Property and Casualty Insurance Company

FLIGHTSAFETY INTERNATIONAL WAIVER - CREW TRAINING ENDORSEMENT

In consideration of the premium at which this policy is written, it is understood and agreed that whenever an "aircraft" is being used for in flight training of pilots who are in your regular employ, and who are qualified under the terms of the Pilots Who May Fly The Aircraft Endorsement, under an existing agreement concerning such training between you and Flightsaftey International, Inc., the following shall apply:

1. Flightsaftey International, Inc. and its subsidiaries, officers, directors, agents and employees (but only while acting within the scope of their official duties as such) shall be included as Additional Insureds solely as respects the insurance afforded under Section Three of this policy.
2. We agree to waive Our Rights of Recovery, but only to the extent that you have waived your rights of recovery against Flightsaftey International, Inc. and its subsidiaries, officers, directors, agents and employees (but only while acting within the scope of their duties as such).
3. We agree to waive Exclusion 6. of part (C) of Section Three of this policy (Assumed Liability), but only to the extent that you may have legally assumed liability under said agreement.
4. We agree to give 30 days prior notice (but 10 days in the event of non-payment of premium) to Flightsaftey International, Inc. in the event the policy is cancelled by us.
5. Nothing contained herein shall prejudice our right of subrogation for damages arising from the repair, or servicing of such "aircraft" by Flightsaftey International, Inc.


Authorized Representative

Endorsement No. 116

AAC 189 (11/99)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGES

Policy Change
Number 117

POLICY NUMBER AAC N00027467	POLICY CHANGES EFFECTIVE July 1, 2001	COMPANY ACE Property and Casualty Insurance Company
NAMED INSURED State of Louisiana (and as endorsed)		AUTHORIZED REPRESENTATIVE Stephen P. Dinsdale
COVERAGE PARTS AFFECTED All Parts		
<p align="center">CHANGES</p> <p>In consideration of the premium at which this policy is written, it is understood and agreed that the following are amendments to the Aircraft Policy AAC 102 (11/99):</p> <ol style="list-style-type: none"> Under Section One, General Definitions, the definition of "compensation" is changed to read as follows: <p>"Compensation" means any consideration greater than the cost of owning, operating and maintaining the "aircraft". However, with respect to the Office of State Police (2220), \$400 per hour for the helicopters and \$300 per hour for the twin engine fixed wing aircraft.</p> Under Section One, General Exclusions, Item (F) is amended to read as follows: <p>(F) Standard Airworthiness Certificate. If the "aircraft" is not maintained in accordance with the Federal Aviation regulations which apply for the "flight" involved.</p> The guidelines set forth in this policy as regards cancellation of coverage are set aside and shall be inoperative to the extent that they are in conflict with the following verbage: <p>The Insured may cancel this policy by returning it to the Company or by giving the Company advance notice of the date cancellation is to take effect. The Company may cancel or non-renew the policy by mailing to the Insured by "Certified Mail, Return Receipt Requested" (at the last known address by the Company) written notice of cancellation at least:</p> <p>Thirty (30) days before the effective date of cancellation if cancellation is due to nonpayment of premium; or</p> <p>One hundred and twenty (120) days notice if cancellation or non-renewal is due to any other reason.</p> <p>The Company may deliver any notice instead of mailing it. A signed return receipt will be sufficient proof of notice.</p> <p>The effective date of cancellation stated in the notice shall become the end of the policy period.</p> 		

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

4. Under Section One, General Conditions, page 7, Item (N) is amended to read as follows:

(N) Aircraft Additions And Deletions:

1. We will insure, for an additional premium, aircraft acquired, whether they are owned or whether they are "non-owned confiscated" aircraft or borrowed aircraft, for which you are required to purchase coverage under Sections One and Two, during the policy period. and provided that:
 - (a) We insure all aircraft owned or leased by you.
 - (b) We are advised of the acquisition of the new aircraft within ninety (90) days after the date that it was acquired.
 - (c) The newly acquired aircraft, in relation to any aircraft shown in the Individual Aircraft Coverage Identification Details forming part of the Declarations:
 - (i) is of the same Type
 - (ii) has no more than the same number of engines
 - (iii) has engine(s) power not exceeding 150%
 - (iv) has the same, or less, total seating, including crew
 - (d) The maximum amount of insurance of the newly acquired aircraft will be the price paid by you, but in no event greater than \$1,000,000. If the price paid for the aircraft is greater than \$1,000,000 and we have not agreed to this greater amount, then in the event of a claim under Section Two of this policy, we will only pay the same proportion of the claim that the highest amount of insurance shown in the Individual Aircraft Coverage Page forming part of the Declarations bears to the actual price paid.
 - (e) Our agreement is obtained before any aircraft that is not provided for under (a), (b), (c) or (d) of this General Condition (N) is acquired. Aircraft falling within this category may be subject to different terms than those falling under (a), (b), (c) or (d) of this General Condition (N).
 - (f) You agree to pay the full annual Section Two premium in respect of any newly acquired aircraft on which we pay the amount of insurance, less the applicable deductible.
2. If an "aircraft" insured under this policy is sold, disposed of or deleted, we will return pro rata of the annual premium for that "aircraft", except:
 - (a) Where there is a claim under Section Two of this policy in respect to that "aircraft", in which case we will not return the Section Two premium.
 - (b) When the last "aircraft" insured under this policy is sold, disposed of or deleted, in which event we will keep short-rate of the annual premium for that "aircraft" in accordance with the customary short rate scale or the cancellation tables promulgated under the statutes of the State shown in Your Postal Address in the Declarations, whichever is most beneficial to you.

We must be advised within ten (10) days after the sale, disposal or deletion of any "aircraft" insured under this policy.

If for any reason, an "aircraft" is insured under this policy for less than fifteen (15) days, we will charge fifteen (15) days premium for that "aircraft". Aircraft that are insured for fifteen (15) days or more will be subject to the premium terms shown under Paragraphs (1) and (2) of this General Condition (N).
5. With respect to Item (N) under General Conditions (Aircraft Additions and Deletions), it is agreed that each "aircraft" attaching for insurance under this policy shall be subject to Section Two deductibles of 15% of the Amount of Insurance applicable to that "aircraft" but subject to a minimum of \$5,000 and a maximum of \$25,000.
6. Exclusions relating to employees shall only exclude liability for injuries, sickness and death, when such are compensable under the Louisiana Worker's Compensation Law.

**** THIS PAGE DOES NOT HAVE TO BE RETURNED ****

7. The inclusion of more than one Named Insured in the policy shall not affect the rights of any Named Insureds respects any claim or suit by any other Named Insured or by an employee or such other Insured.
8. As respects any claims payments which may become due under Section Three of this policy, you will be responsible for the first \$25,000 of each payment due for each "occurrence", which shall include all claims adjusting fees and expenses.

At our option we may pay the entire amount due in order to effect settlement of the claim, but you agree to reimburse us for the amount for which you are responsible when asked by us to do so.
9. For the insurance afforded herein each State airplane, whether owned, leased, or borrowed, should, but is not required to, carry an airworthiness certificate.
10. For the insurance afforded herein, the State Risk Director for the Office of Risk Management/Division of Administration, State of Louisiana is authorized to act for all Insureds respecting the giving and receiving of notice of cancellation, no-renewal or material change, receiving any return premium or dividend, and changing any provisions of this coverage. Such notices or changes shall be mailed in care of the Office of Risk Management, Division of Administration, Post Office Box 94095, Capitol Station, Baton Rouge, LA 7084-9095.
11. For the insurance afforded herein, each State agency shall be considered a separate risk and policy conditions excluding the right of one Insured to present a claim against another Insured shall not be invoked between such State agencies.
12. The Company hereby waives its rights of subrogation for hull coverages against LOOP, INC. However, said waivers shall only apply to the extent to which the Named Insured has, in writing, waived such right against LOOP, INC. This pertains to N9467Y, N61092, N70365 and N9667Q under the Department of Wildlife and Fisheries.
13. The Company hereby waives its rights of subrogation for hull coverages against Flight Safety International. However, said waivers shall only apply to the extent to which the Named Insured has, in writing, waived such right against Flight Safety International for the training of Named Insured's pilots as applies to all aircraft insured hereunder.
14. Non-Owned Aircraft shall be defined as an aircraft that is not owned in whole or in part or leased under a long term lease agreement by a State Agency.


Authorized Representative Signature

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This Endorsement effective July 1, 2001
 Forms part of Policy Number AAC N00027467
 Issued to State Of Louisiana
 by ACE Property and Casualty Insurance Company

LOUISIANA CHANGES CANCELLATION AND NONRENEWAL

Section (I) of the General Conditions, CANCELLING THIS POLICY, is replaced by the following:

CANCELLATION

1. You may cancel this policy at any time by telling us in writing in advance of the date that this insurance is to be cancelled, but if this policy contains additional insureds or agreements to notify other parties a certain number of days in advance of cancellation, then that number of days (plus three working days for us to prepare the necessary documents) must be taken into account when advising us of the date that this insurance is to be cancelled. If you cancel, we will compute the premium earned by us by using the customary standard short rate scale or the cancellation tables promulgated under the statutes of the State shown in the Declarations, whichever is more beneficial to you.

2. **NOTICE OF CANCELLATION**
 - a. **CANCELLATION OF POLICIES IN EFFECT FOR FEWER THAN 60 DAYS AND NOT RENEWALS**
 If this policy has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we may cancel this policy for any reason, subject to the following:
 - (1) Cancellation for nonpayment of premium
 We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 30 days before the effective date of cancellation.
 - (2) Cancellation for any other reason
 We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.
 - b. **CANCELLATION OF RENEWAL POLICIES AND NEW POLICIES IN EFFECT FOR 60 DAYS OR MORE**
 If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:
 - (1) Nonpayment of premium;
 - (2) Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy, or in presenting a claim under the policy;
 - (3) Activities or omissions by you which change or increase any hazard insured against;
 - (4) Change in the risk which increases the risk of loss after we issued or renewed this policy including an increase in exposure due to regulation, legislation, or court decision;
 - (5) Determination by the Commissioner of Insurance that the continuation of this policy would jeopardize our solvency or would place us in violation of the insurance laws of this or any other state;
 - (6) The insured's violation or breach of any policy terms or conditions; or
 - (7) Any other reasons that are approved by the Commissioner of Insurance.
 We will mail or deliver written notice of cancellation under this item 2.b., to the first Named Insured at least:
 - (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (b) 20 days before the effective date of cancellation if we cancel for a reason described in .b.(2) through (7) above.

3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.

Endorsement No. 118

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AAC LA (11/99)

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4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

5. PREMIUM REFUND

If this policy is cancelled, we will send the first Named Insured any premium refund due, subject to paragraphs 5.a. and 5.b. The cancellation will be effective even if we have not made or offered a refund.

a. If we cancel, the refund will be pro rata.

b. If the first Named Insured cancels, the refund may be less than pro rata, and will be sent to the first Named Insured within 30 days after the effective date of cancellation.

However, we will not return any aircraft physical damage premium on an aircraft for which we have paid the Amount of Insurance, less the applicable deductible.

6. If notice is mailed, proof of mailing will be sufficient proof of notice.

NONRENEWAL

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured, at least 60 days before its expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.

2. We need not mail or deliver this notice if:

a. We or another company within our insurance group have offered to issue a renewal policy; or

b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

Endorsement No. 118

AAC LA (11/99)

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Robert F. [Signature]
 Authorized Representative

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NOT IN FLIGHT LIMITATION ENDORSEMENT
 (For use with Aircraft Policy AAC 102 11/99)

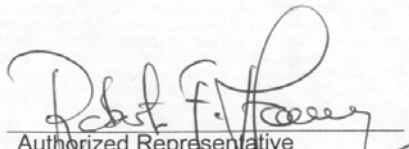
In consideration of the premium at which this policy is written, it is understood and agreed that we will not provide insurance nor defense for the "aircraft" shown below while in "flight".

This endorsement applies regardless of any pilot or territory provisions in this policy.

"F.A.A."
 Cert No(s)

N63109	N296A	
N9923Q	N4488P	
N6301F	N9062P	
N2657R	N49649	
N85962	N9984T	
N9048D	N9063F	
N2201S	N51929	
18258193	N6363Y	
CH322	6509751	
15071781	N7224U	
610635	Unknown	(identified as 1966 Cessna 421-D)
3505	Unknown	(identified as 1946 Alon Ercoupe)
1521J	66-01015	
	Unknown	(identified as 1953 Fairchild)

This endorsement replaces endorsement No. 111


 Authorized Representative

Endorsement No. 120

AAC 152 (11/99)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGES

Policy Change
Number 121

POLICY NUMBER AAC N00027467	POLICY CHANGES EFFEC21TIVE September 30, 2001	COMPANY Ace Property and Casualty Insurance Company
NAMED INSURED State of Louisiana		AUTHORIZED REPRESENTATIVE Stephen P. Dinsdale
COVERAGE PARTS AFFECTED All Policy Parts		
<p align="center">CHANGES</p> <p>In consideration of the premium at which this policy is written, it is understood and agreed that <u>Endorsements</u> AAC 107 (11/99) and AAC 108 (11/99) are DELETED effective 23.59 Greenwich Mean Time on September 30, 2001.</p>		


 Authorized Representative Signature